

IN THE DRAWINGS

The attached sheet of drawings includes typed labels and changes to Figures 1 and 3.

The attached sheets replace the original sheets.

Specifically, "(Prior Art)" has been added to Figure 1. In Figure 3A, "320" and "321" have been changed to "310" and "311" respectively. The above changes are shown in the formal drawings submitted with this amendment.

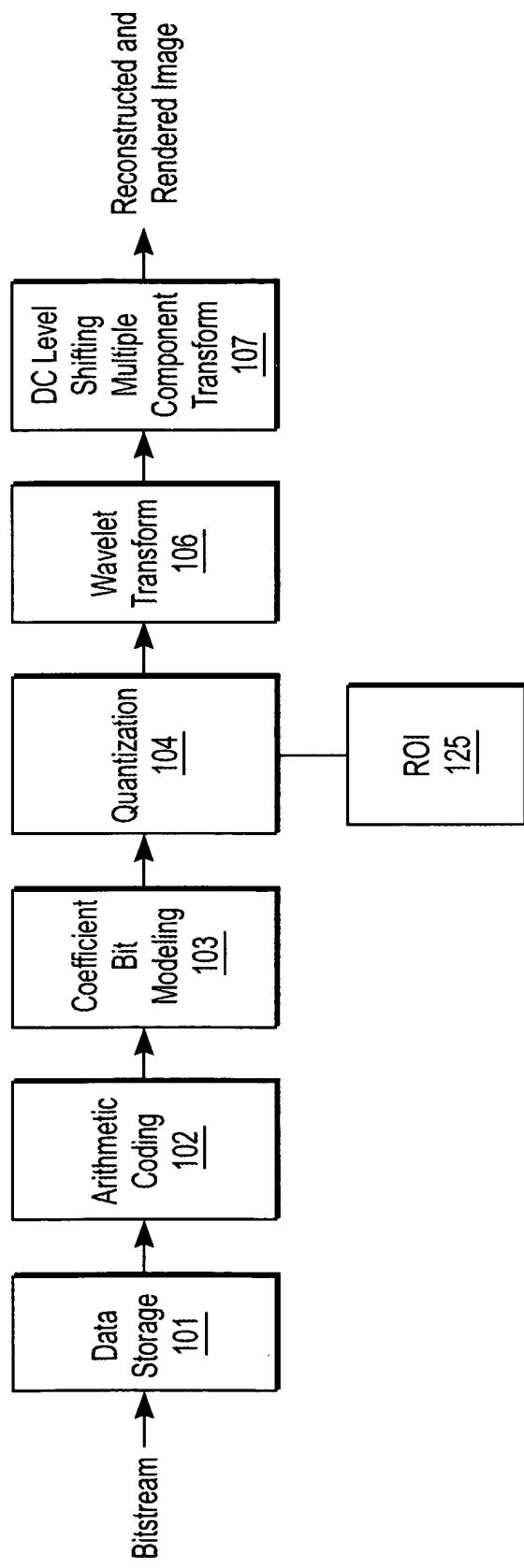
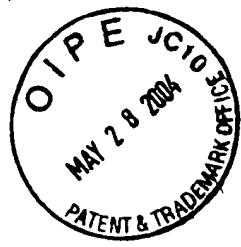


FIG. 1  
(PRIOR ART)

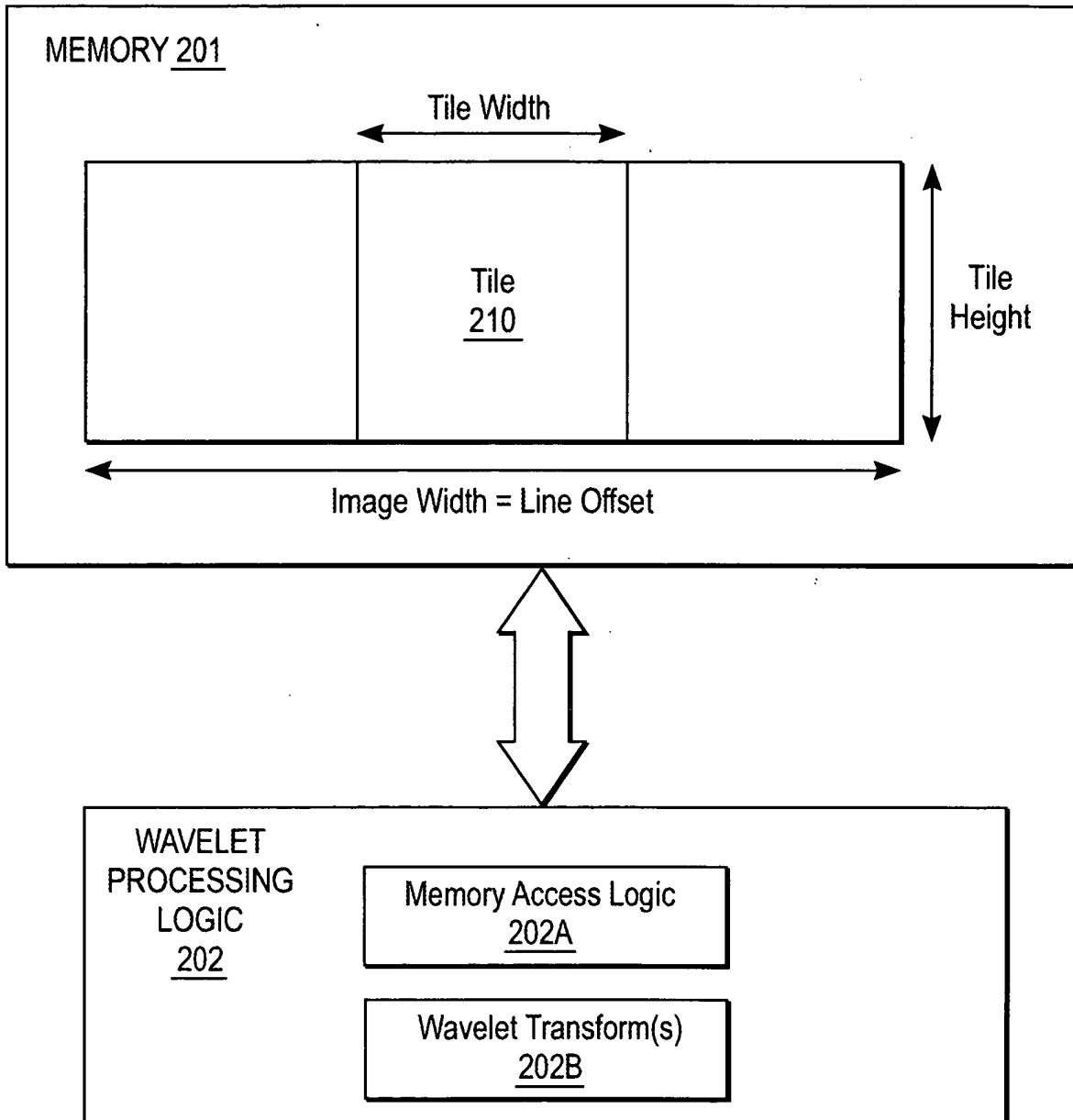
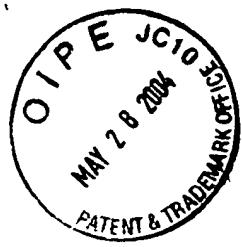
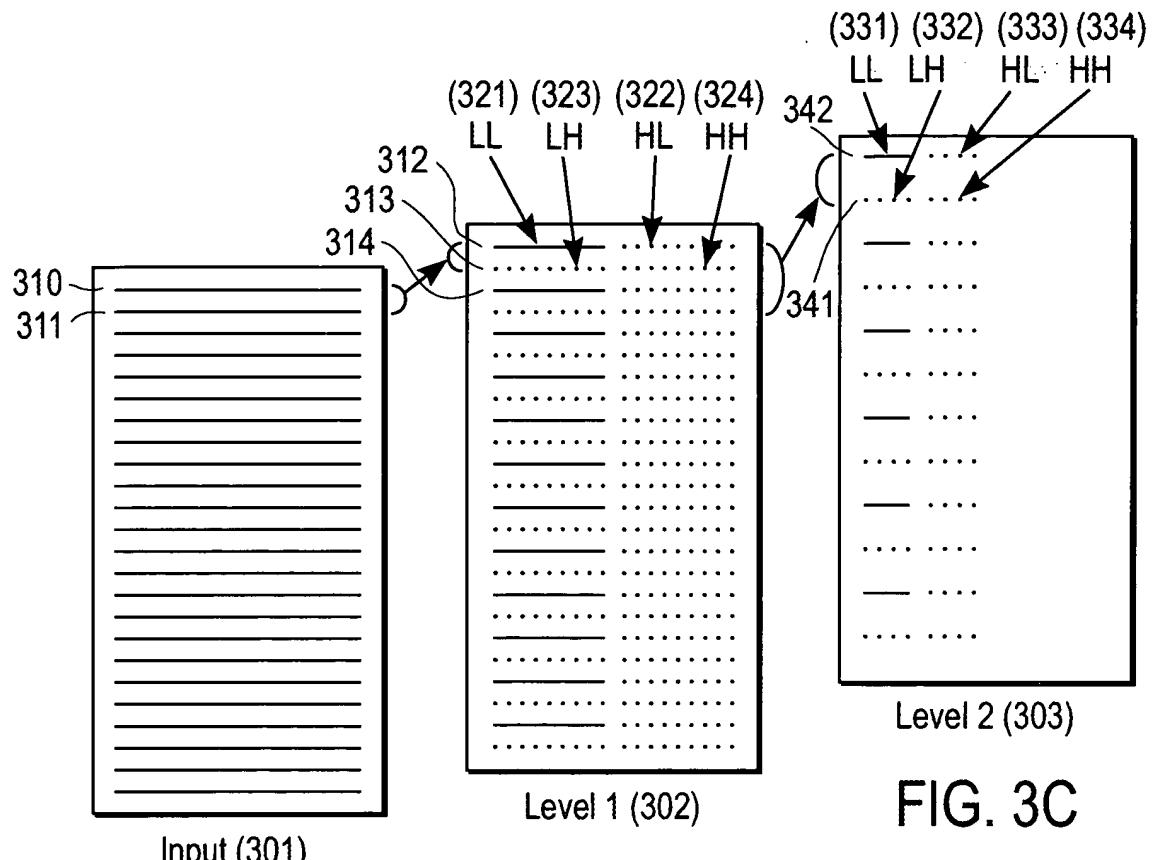
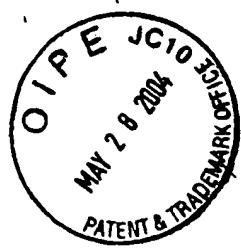


FIG. 2



Input (301)

Level 1 (302)

Level 2 (303)

FIG. 3A

FIG. 3B

FIG. 3C

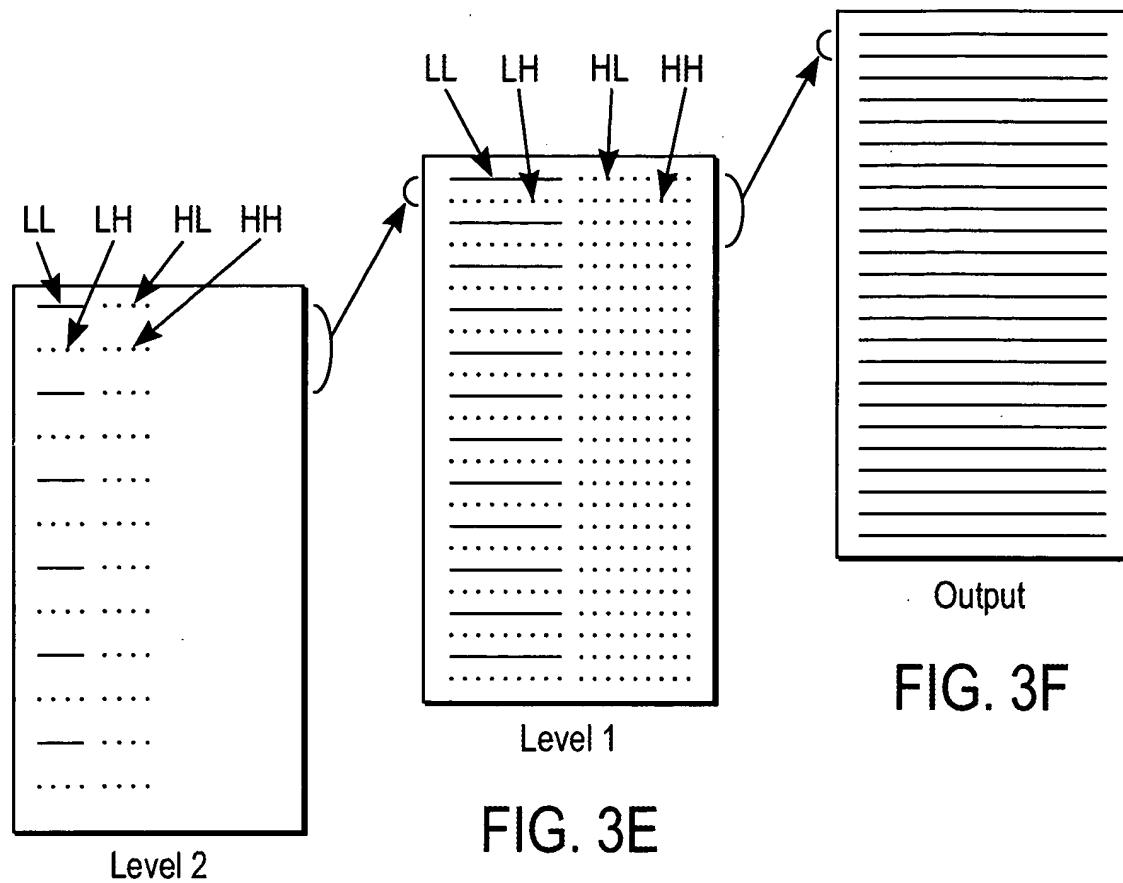
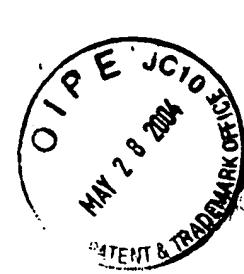


FIG. 3D

FIG. 3E

FIG. 3F

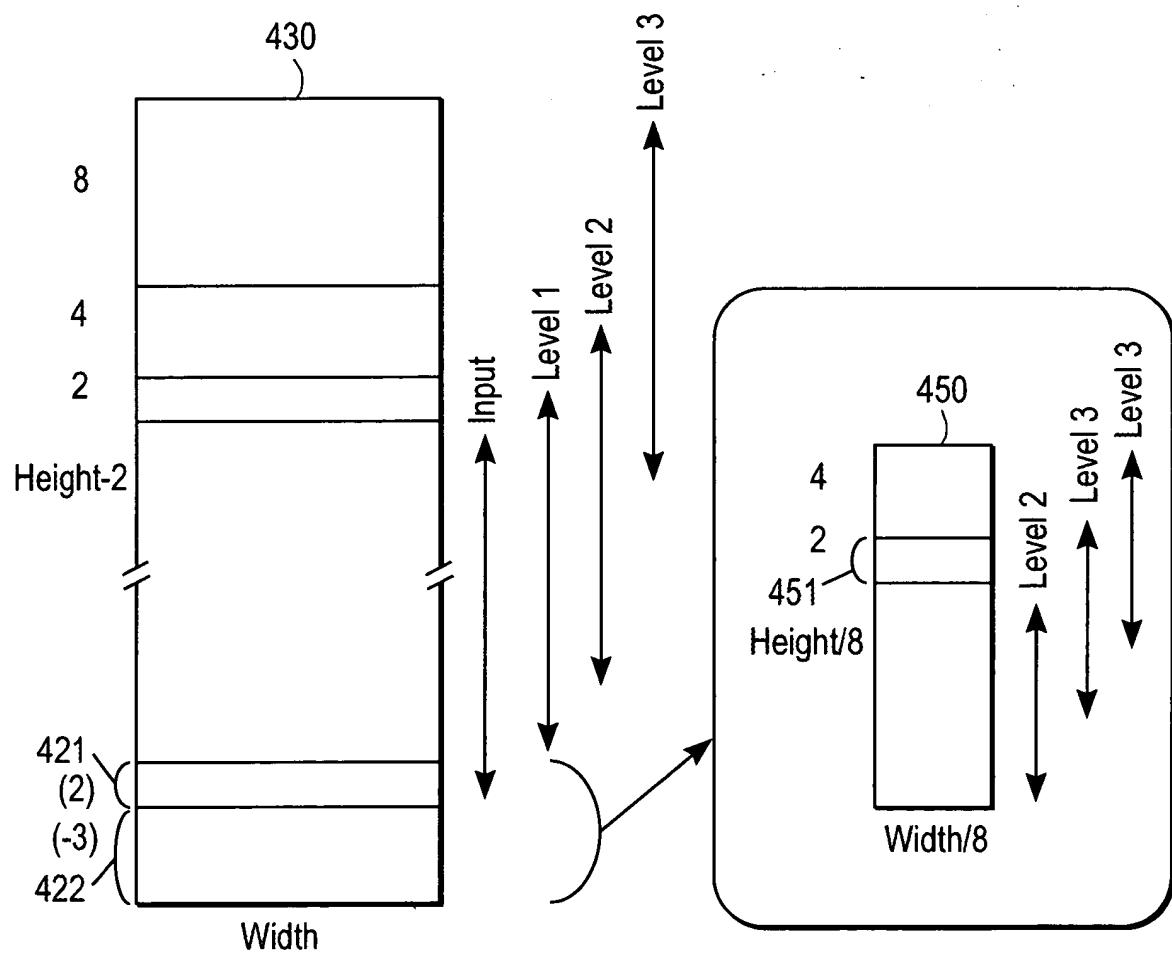
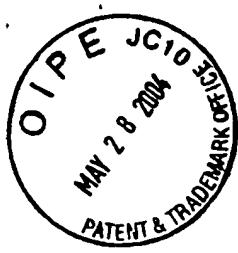


FIG. 4A

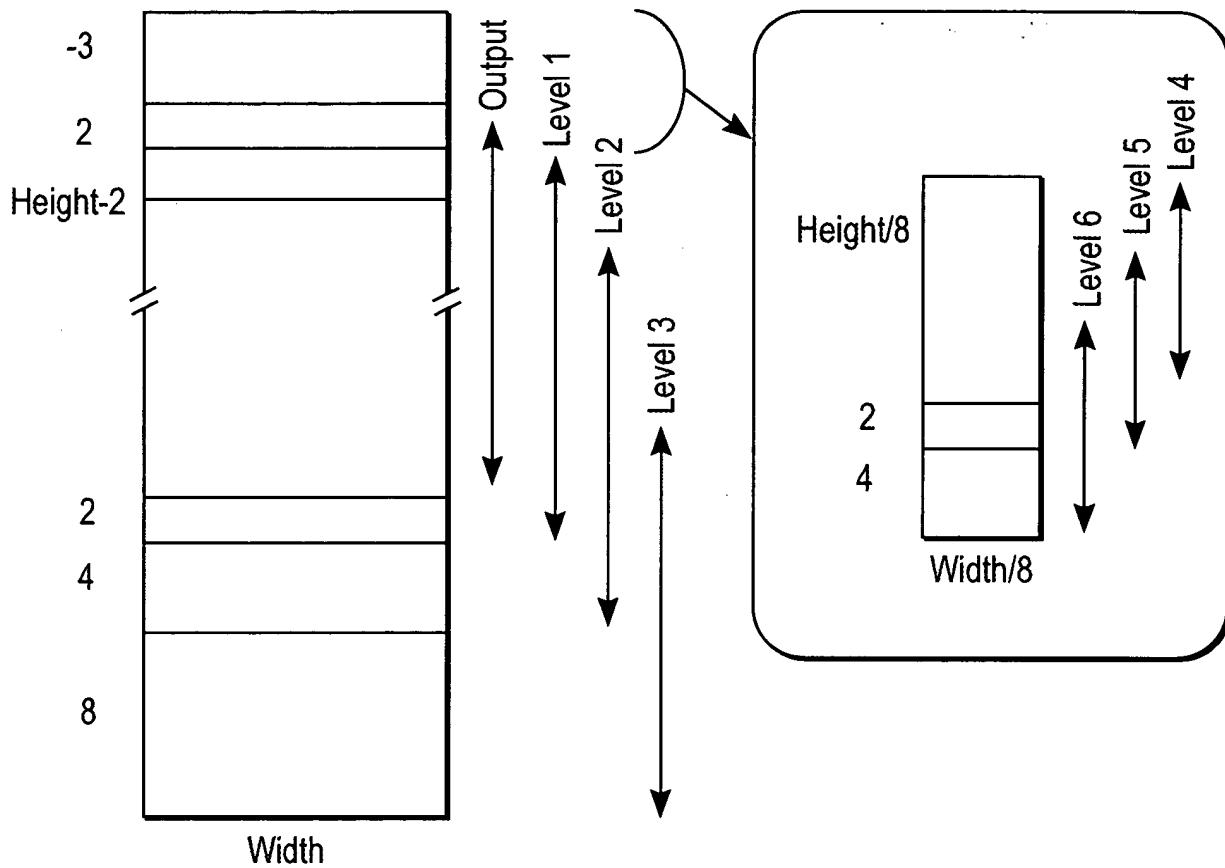
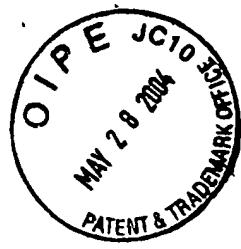


FIG. 4B

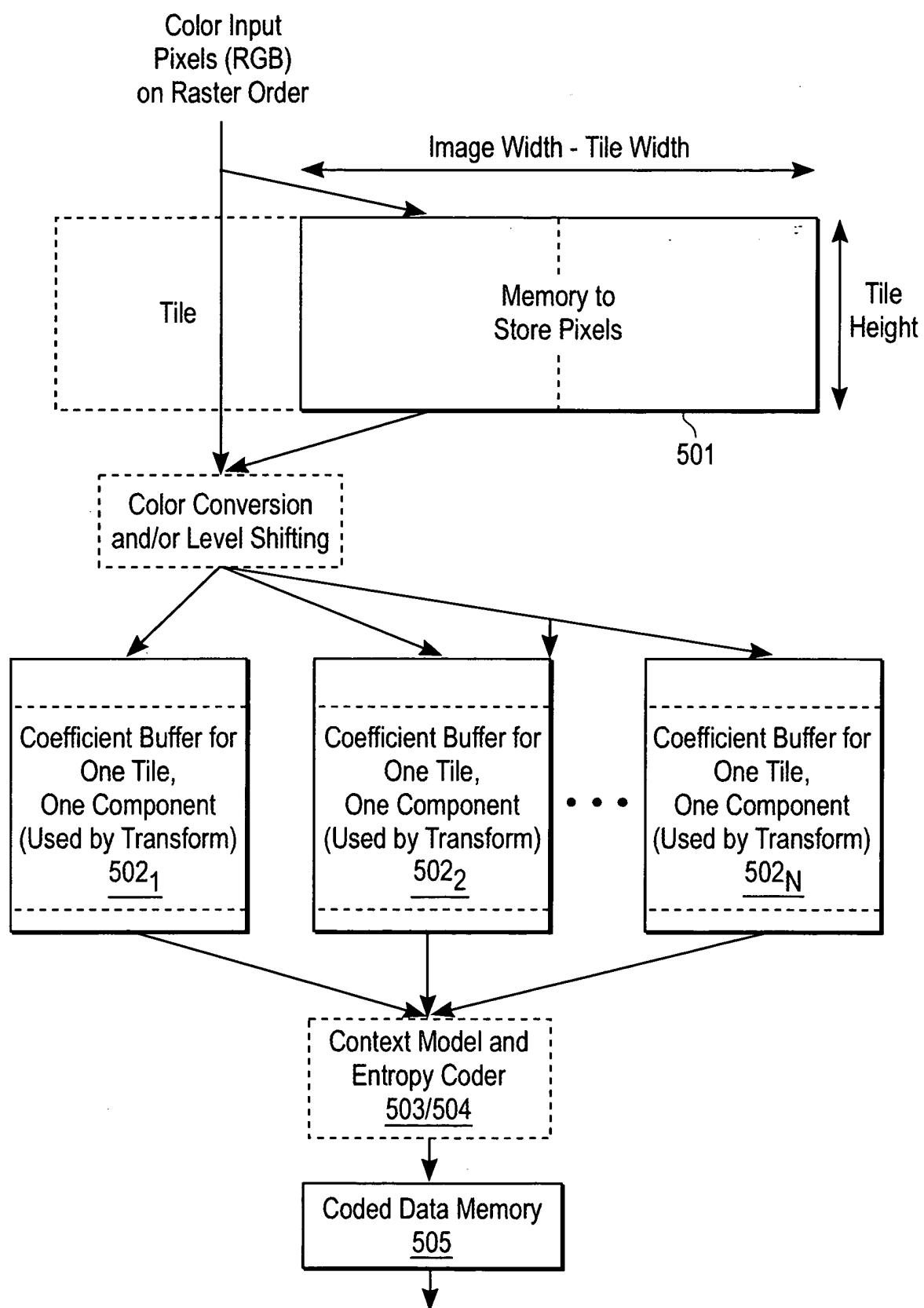
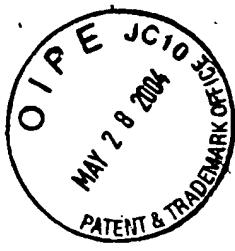


FIG. 5

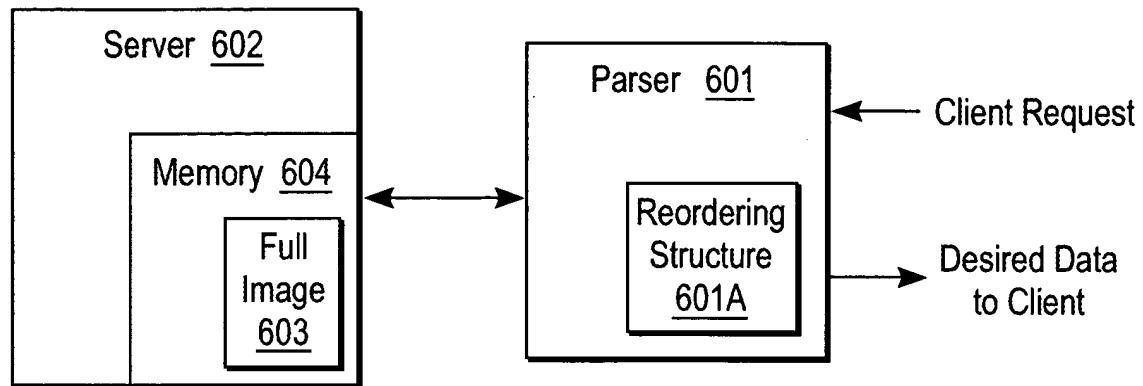
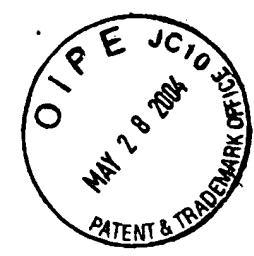


FIG. 6A

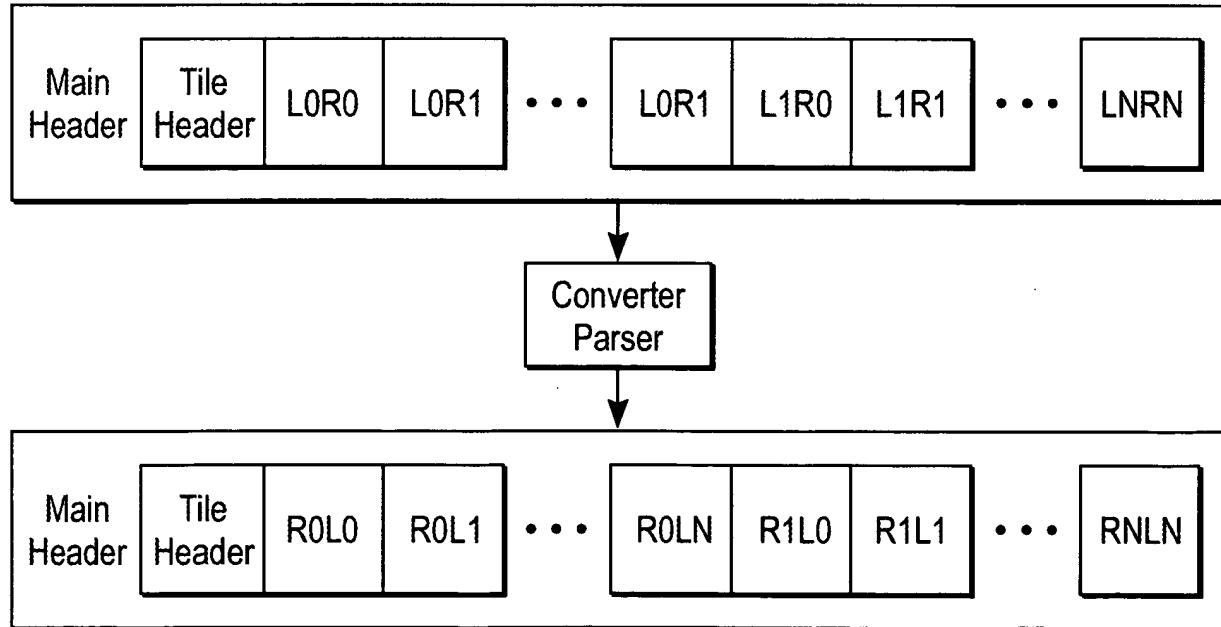


FIG. 6B

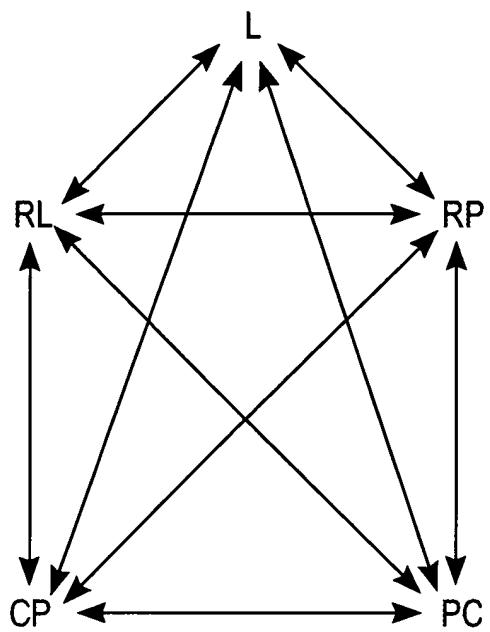
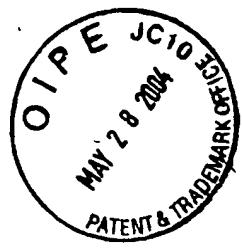


FIG. 7A

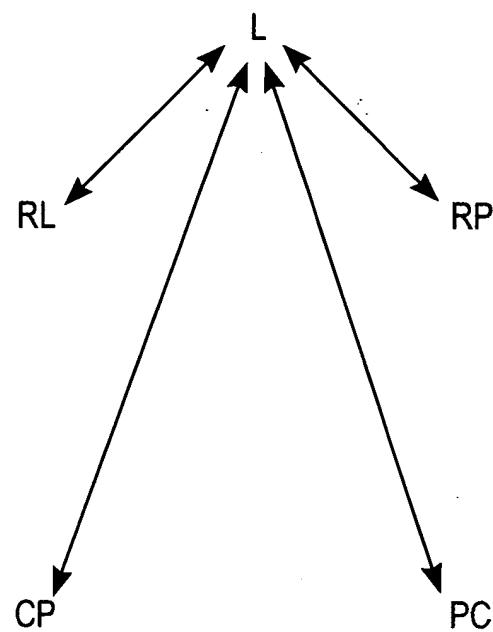


FIG. 7B

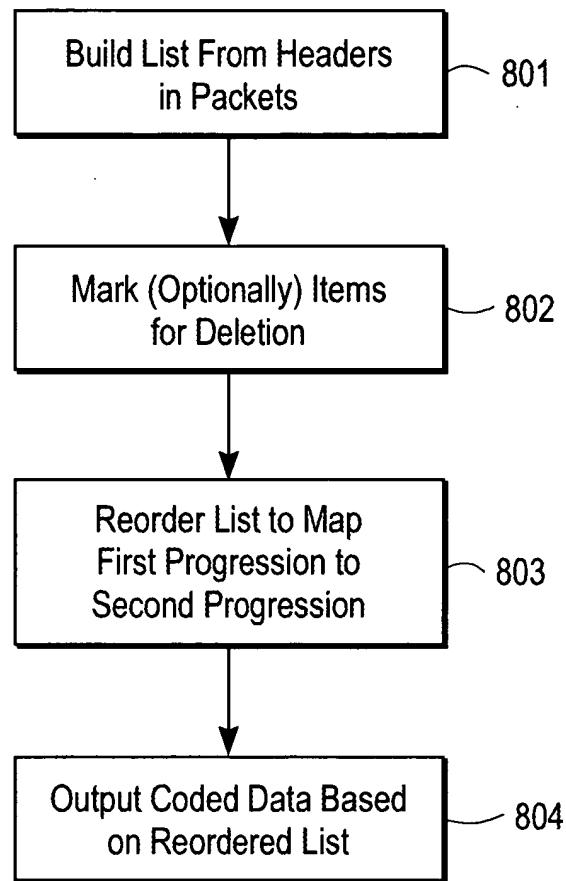
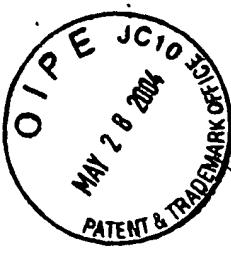


FIG. 8

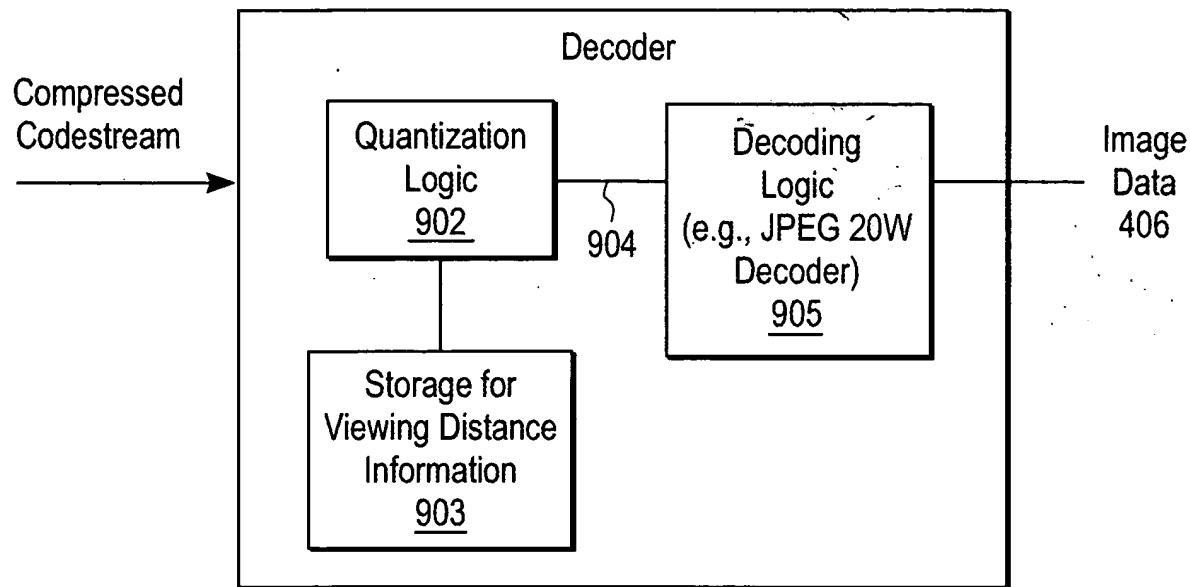
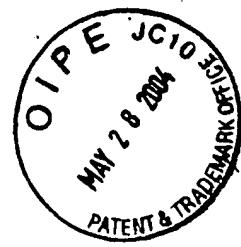


FIG. 9

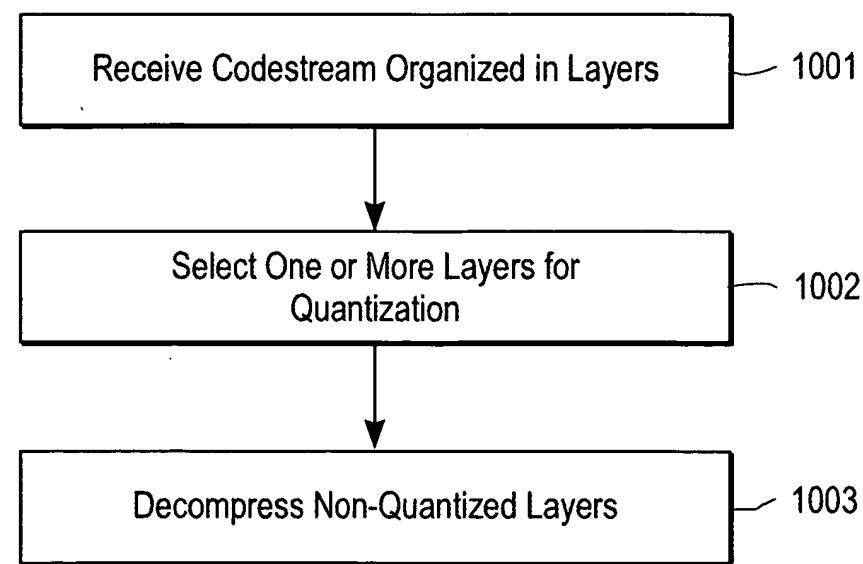


FIG. 10

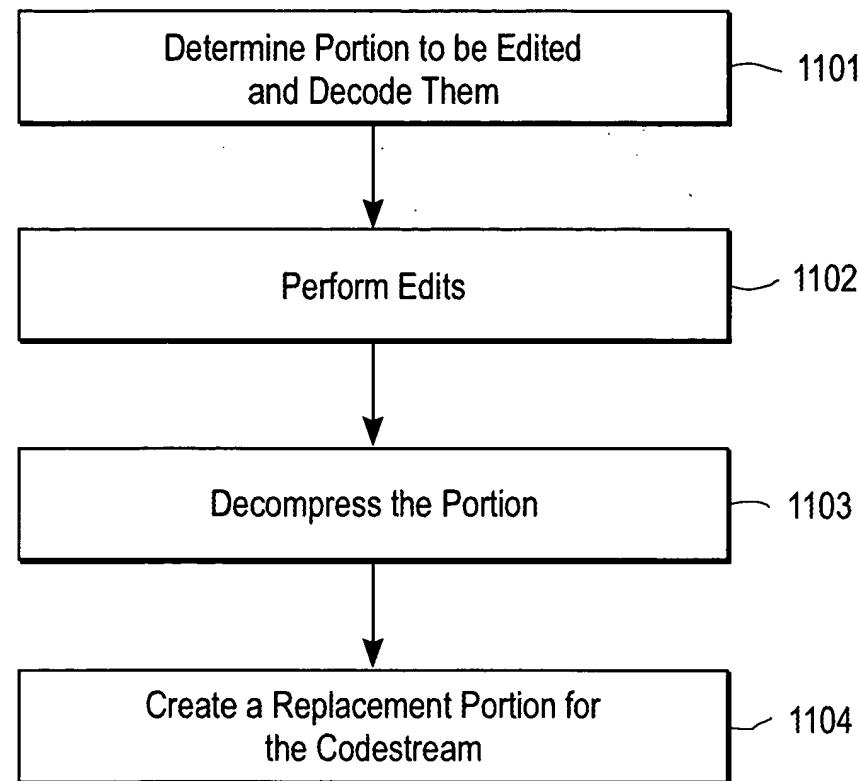
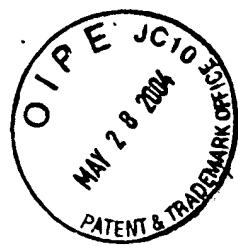


FIG. 11

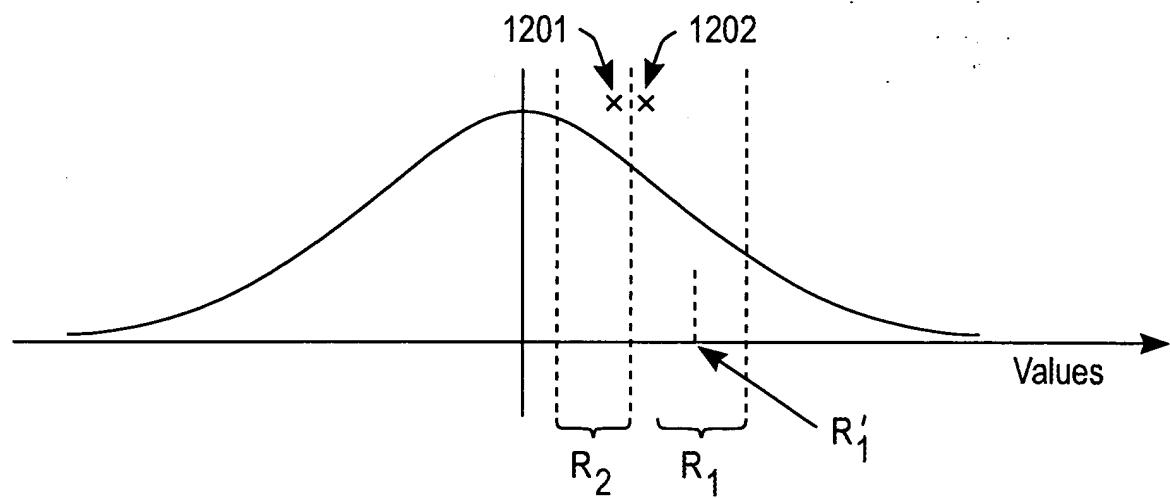
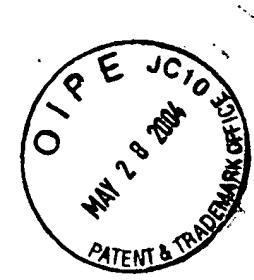


FIG. 12

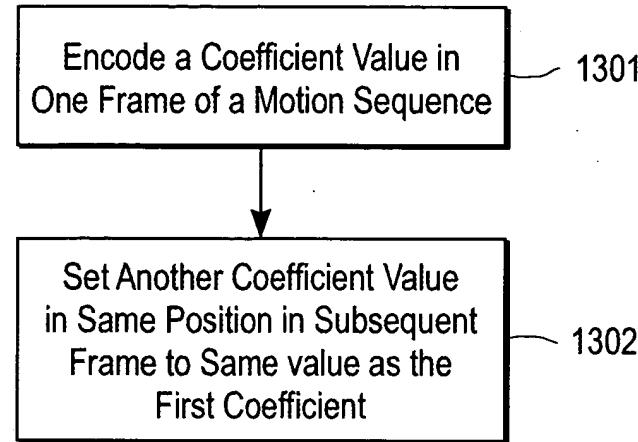
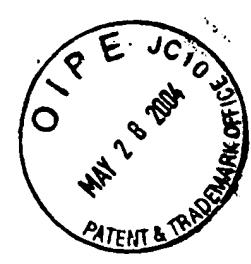


FIG. 13

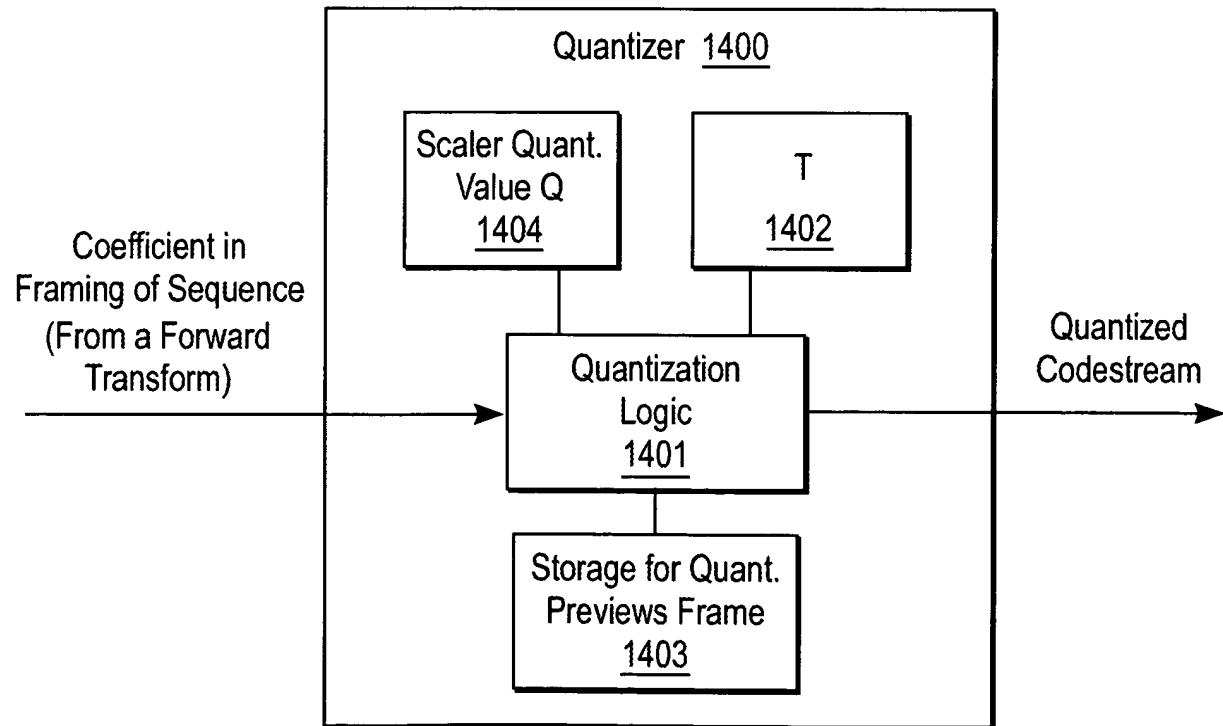


FIG. 14

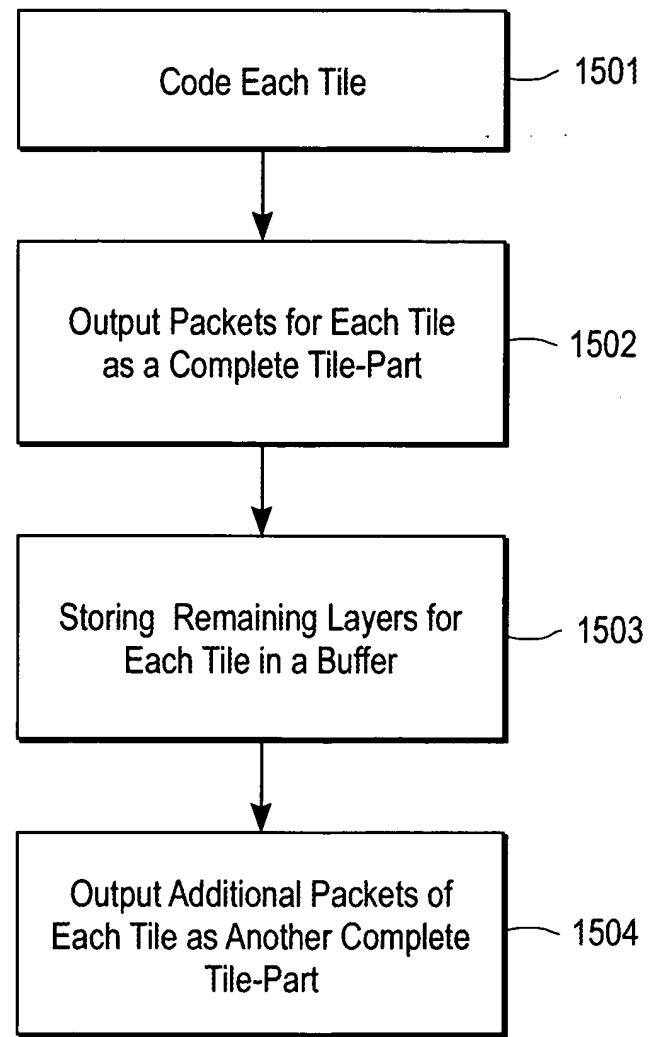
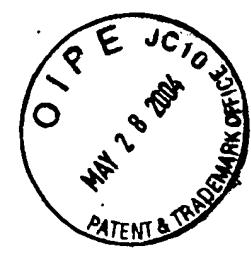


FIG. 15A

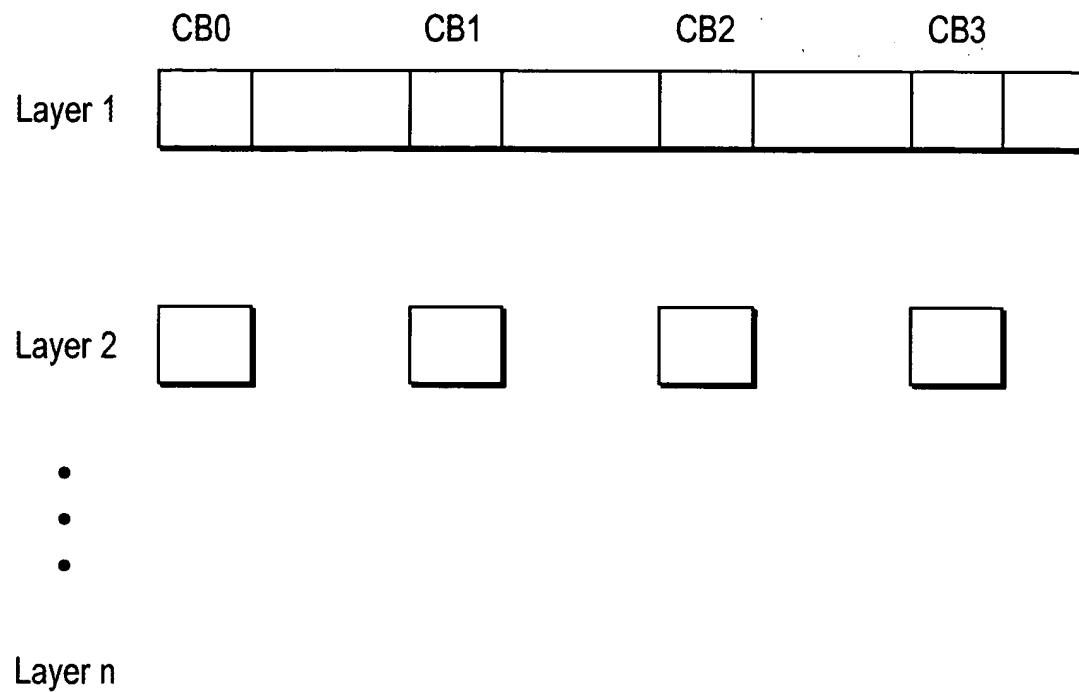
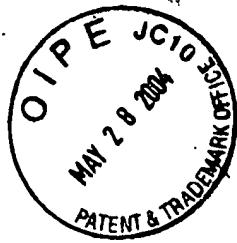


FIG. 15B

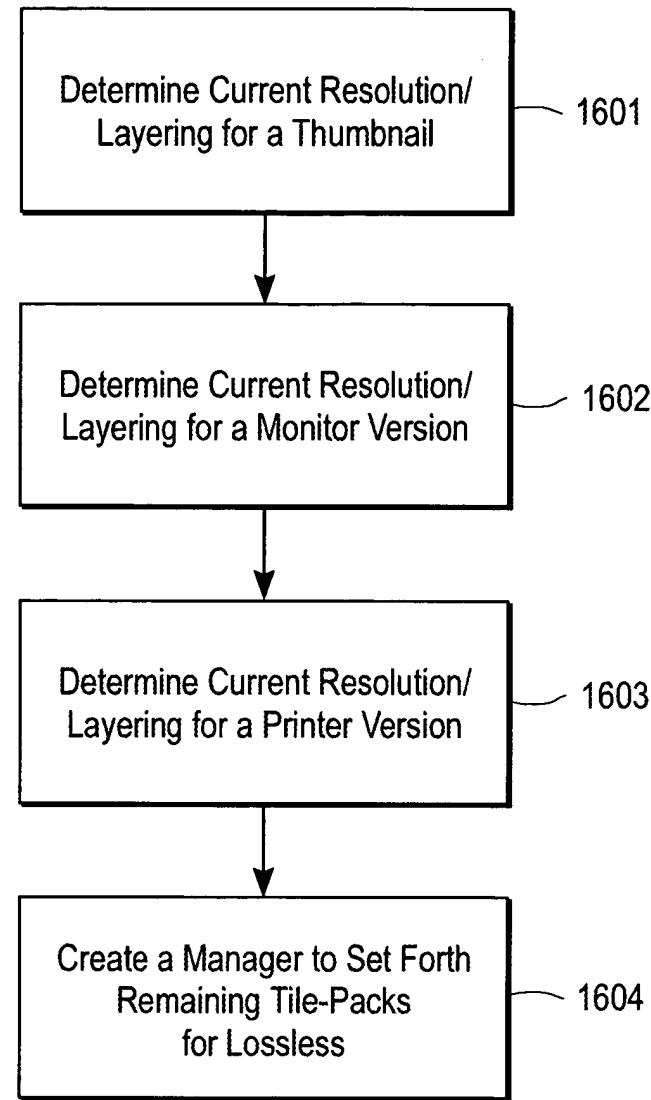
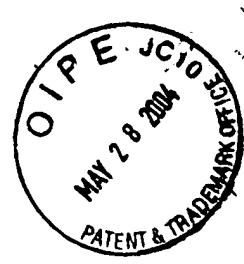
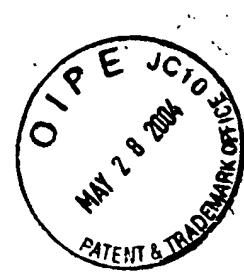


FIG. 16



|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 0 |   |
| 0 | 0 |   | 0 |
| 0 | 0 |   |   |
| 0 | 0 |   |   |
| 0 | 0 |   |   |

A = Lossless

|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 0 |   |
| 0 | 0 |   | 0 |
| 0 | 0 |   |   |
| 0 | 0 |   |   |
| 0 | 0 |   |   |

B

|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 0 |   |
| 0 | 0 |   | 1 |
| 0 | 0 |   |   |
| 0 | 0 |   |   |
| 0 | 0 |   |   |

C

|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 0 |   |
| 0 | 0 |   | 1 |
| 0 | 0 |   |   |
| 0 | 1 |   |   |
| 0 | 1 |   |   |

D

|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 1 |   |
| 0 | 0 |   | 1 |
| 1 | 1 |   |   |
| 1 | 1 |   |   |
| 1 | 1 |   |   |

E

|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 1 |   |
| 0 | 0 |   | 1 |
| 1 | 1 |   |   |
| 1 | 1 |   |   |
| 1 | 1 |   |   |

F

|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 1 |   |
| 0 | 1 |   | 1 |
| 1 | 1 |   |   |
| 1 | 1 |   |   |
| 1 | 1 |   |   |

G

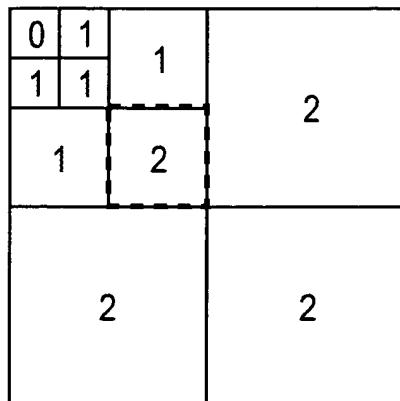
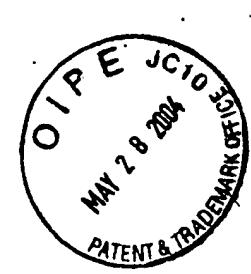
|   |   |   |   |
|---|---|---|---|
| 0 | 0 | 1 |   |
| 0 | 1 |   | 2 |
| 1 | 1 |   |   |
| 1 | 1 |   |   |
| 2 | 2 |   | 2 |

H

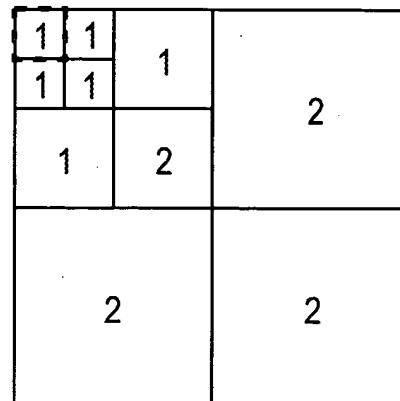
|   |   |   |   |
|---|---|---|---|
| 0 | 1 | 1 |   |
| 1 | 1 |   | 2 |
| 1 | 1 |   |   |
| 1 | 1 |   |   |
| 2 | 2 |   | 2 |

I

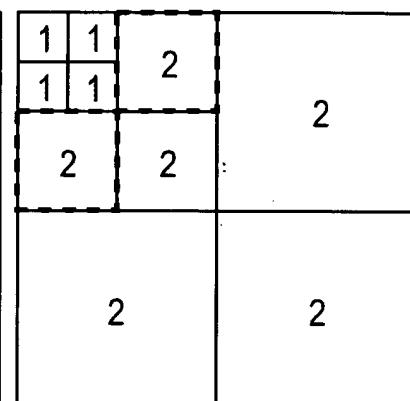
FIG. 17



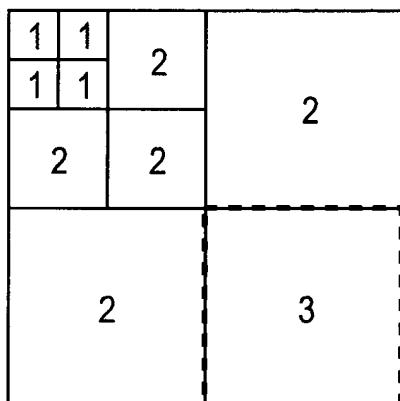
J



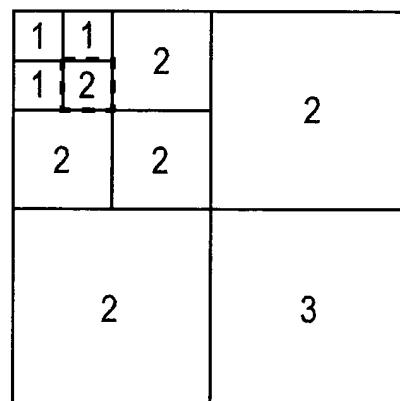
K



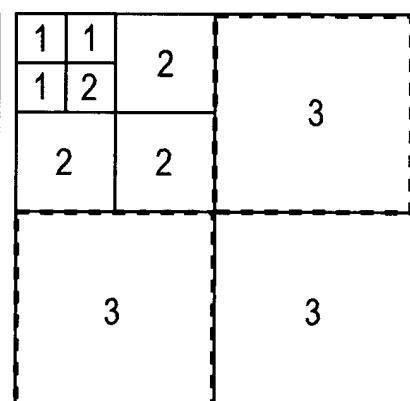
L



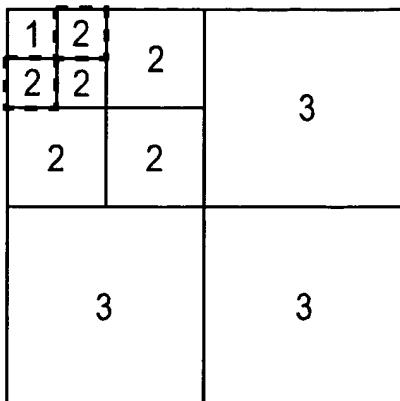
M



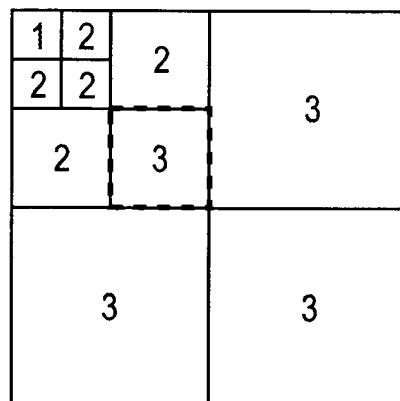
N



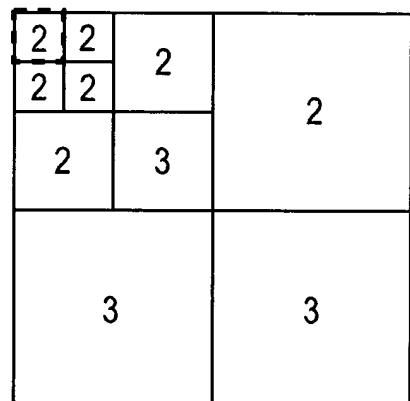
O



P



Q



R

FIG. 18

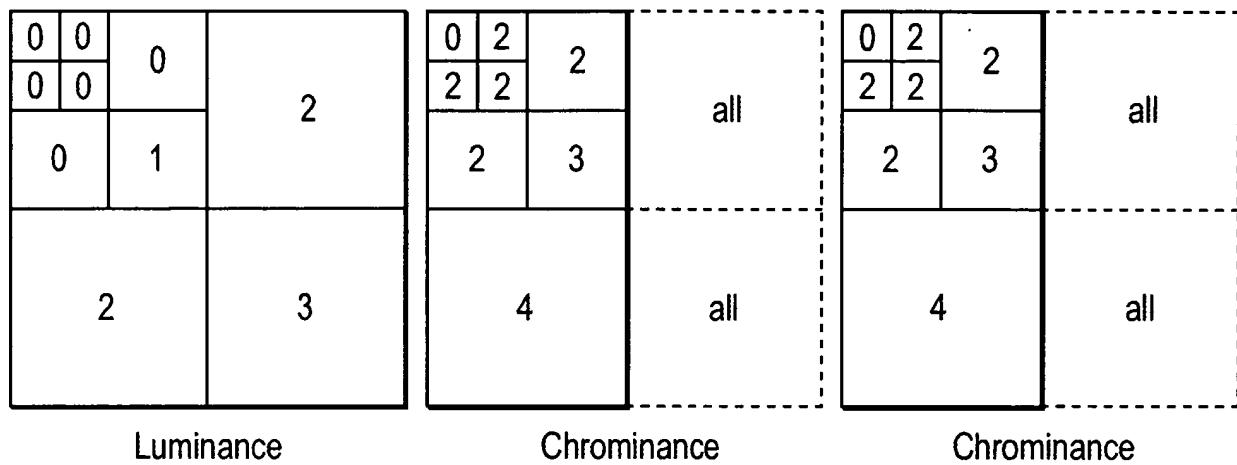
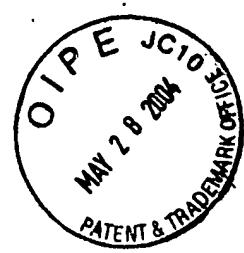
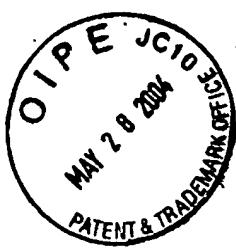


FIG. 19



2000

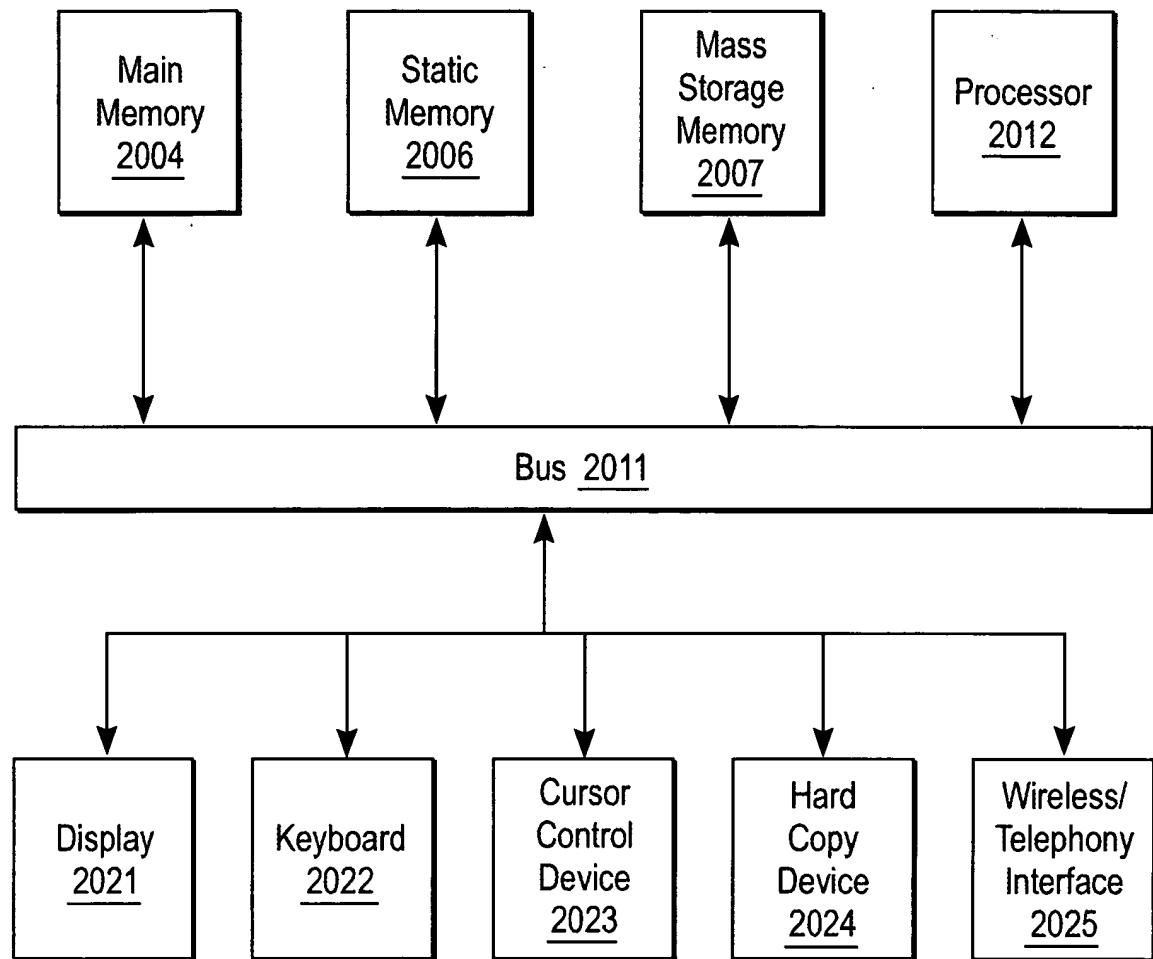


FIG. 20

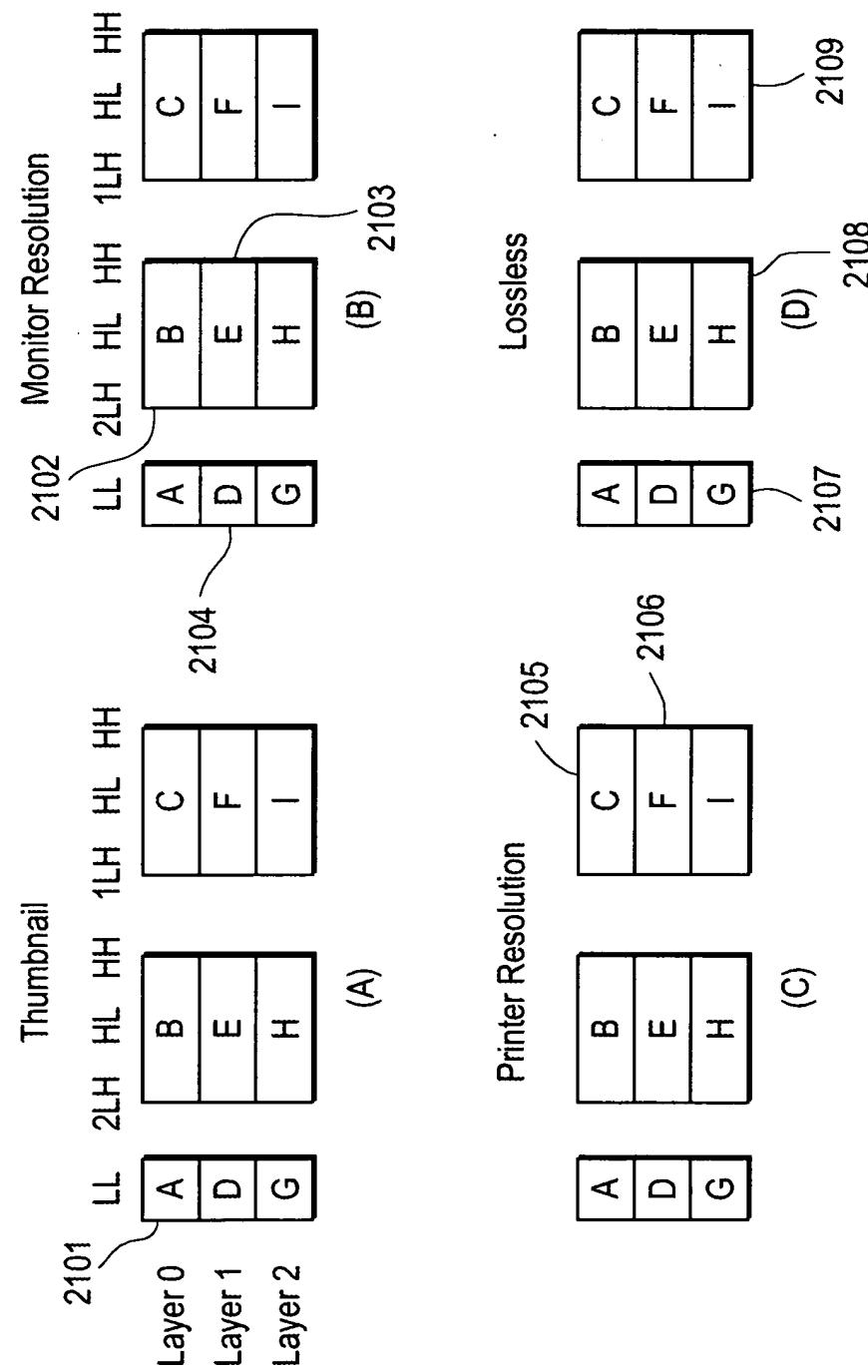
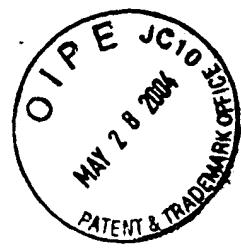
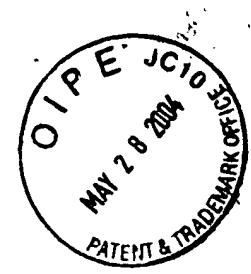


FIG. 21



|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 0   | 0   | 0   | 0   | 1   | 1   | 3   | 4   | 4   | 8   |
| 0   | 0   | 0   | 0   | 1   | 1   | 3   | 4   | 4   | 8   |
| 0   | 0   | 0   | 0   | 1   | 1   | 3   | 4   | 4   | 8   |
| 0   | 0   | 0   | 0   | 1   | 1   | 3   | 4   | 4   | 8   |
| 0   | 0   | 0   | 0   | 1   | 1   | 3   | 4   | 4   | 8   |
| 0   | 2   | 2   | 6   | 7   | 7   | 10  | 11  | 11  | 15  |
| 5   | 9   | 9   | 13  | 14  | 14  | 17  | 18  | 18  | 22  |
| 12  | 16  | 16  | 20  | 21  | 21  | 24  | 25  | 25  | 29  |
| 19  | 23  | 23  | 27  | 28  | 28  | 31  | 32  | 32  | 36  |
| 26  | 30  | 30  | 34  | 35  | 35  | 38  | 39  | 39  | 42  |
| 33  | 37  | 37  | 40  | 41  | 41  | 43  | 44  | 44  | 45  |
| 3LL | 3HL | 3LH | 3HH | 2HL | 2LH | 2HH | 1HL | 1LH | 1HH |

FIG. 22

|     |        |     |        |     |        |     |        |     |        |
|-----|--------|-----|--------|-----|--------|-----|--------|-----|--------|
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 1   | 2      | 2   | 2      | 2   | 2      |
| 0   | 1      | 1   | 1      | 3   | 3      | 3   | 3      | 3   | 3      |
| 0   | 3      | 3   | 3      | 3   | 3      | 3   | 3      | 3   | 3      |
| 0   | 3      | 3   | 3      | 3   | 3      | 3   | 3      | 3   | 3      |
| 3LL | 5HL,LH | 5HH | 4HL,LH | 4HH | 3HL,LH | 3HH | 2HL,LH | 2HH | 1HL,LH |
|     |        |     |        |     |        |     |        |     | 1HH    |

FIG. 23

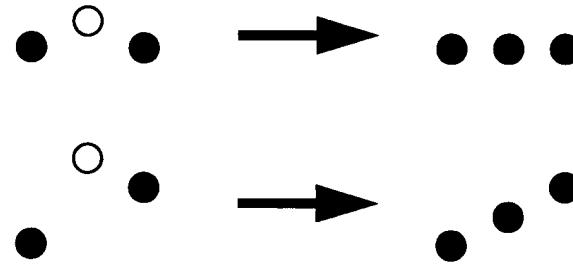
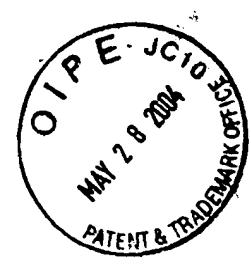
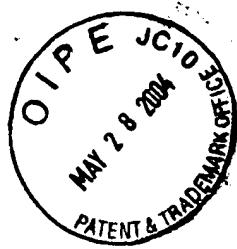


FIG. 24



### Typical Decode of Color Images

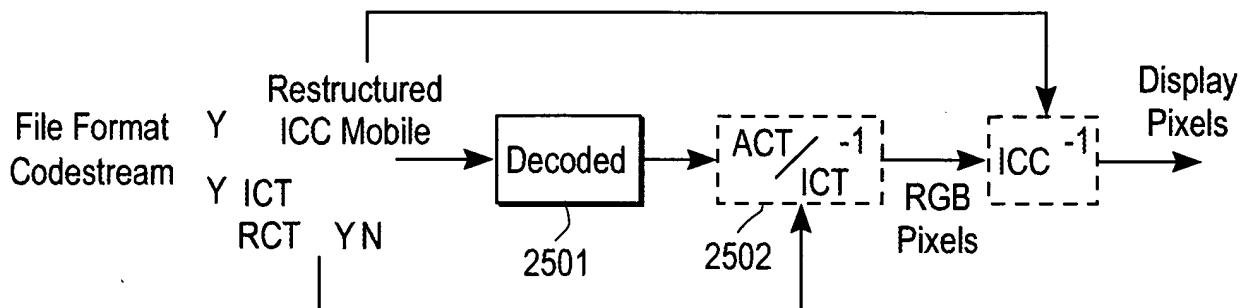


FIG. 25

### Dumb Camera Encoder

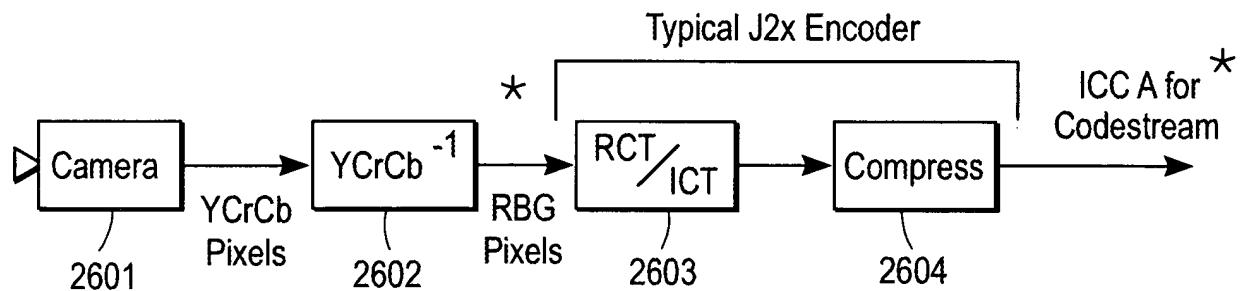


FIG. 26

### Simple Camera Encoder

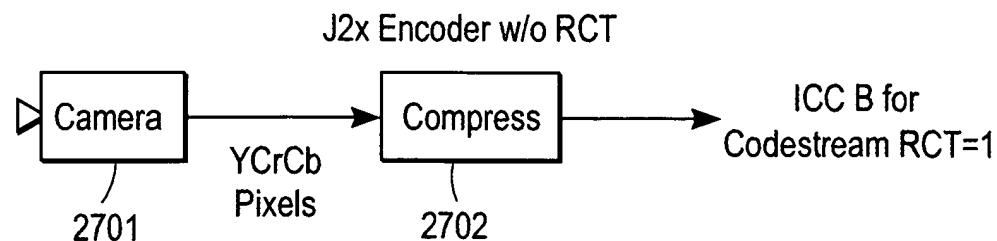


FIG. 27

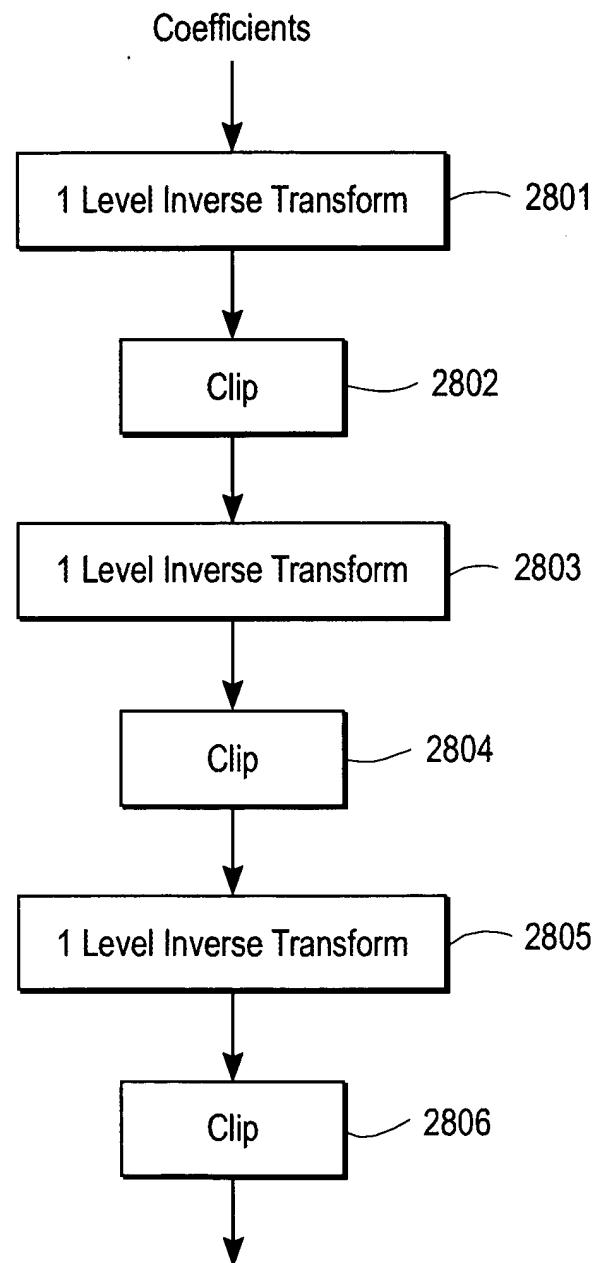


FIG. 28